

# NEW JERSEY OFFICE OF THE INSPECTOR GENERAL

Mary Jane Cooper, Inspector General

*For Immediate Release:*  
January 12, 2006

*For Further Information:*  
Vincent Funelas (609) 292-8820

## **Inspector General Issues SCC Update Report Cooper Recognizes Accomplishments, Makes Further Recommendations**

TRENTON – Inspector General Mary Jane Cooper today reported to Governor Richard J. Codey that the New Jersey Schools Construction Corporation (SCC) has made solid progress towards improving its operation. The report highlighted actions taken by the SCC in response to the recommendations outlined in the Office of the Inspector General's (OIG) Initial Report of Findings issued in April 2005 and Governor Codey Executive Order # 32.

Inspector General Cooper also made further recommendations regarding other areas under OIG's review. The investigation into the SCC was made at the request of Governor Codey to conduct a review of the financial situation at SCC.

Legislation establishing the OIG provides that the office monitor the implementation of its recommendations for corrective or remedial actions made in any of its reports of findings. In that regard, the OIG has been working with SCC's new management to ensure that their internal controls are in order.

"The SCC has made a great deal of progress since April," Inspector General Cooper said. "Because new leadership has proven their commitment to build schools efficiently and have implemented, or are in the process of implementing, my recommendations, I have proposed to the Governor that the agency be able to resume spending on new construction projects."

According to the report, resuming spending would enable the SCC to hire competent personnel to adequately staff those projects and avoid additional costs resulting from unnecessary delay.

Inspector General Cooper has also made the recommendation that the SCC create an internal Inspector General, who would report to the SCC's Chief Executive Officer and independently report to the OIG.

- More -

“While the agency has made many positive developments in its internal controls, this position would help restore the agency’s overall fiscal integrity,” Inspector General Cooper said. “This recommendation has been discussed and approved by SCC’s senior management.”

Further findings as a result of the OIG’s continued review are also outlined in today’s report. The SCC’s Board and senior management specifically requested that the OIG review the operations of a division within SCC and investigate an allegation that SCC employees circumvented its Board’s authority.

While the results of the operations review were released in December 2005, collateral matters in the investigation of circumventing the SCC Board’s authority is ongoing.

###